Towards an Understanding of Expatriate Job Performance: A Conceptual Paper

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Abstract
The paper defines and presents ‘Expatriate Job Performance’ in a manner that sheds light on the construct and sets the stage for future research. The findings from the review of the related literature suggest that additional research is needed to empirically validate the concept through systematic investigations and devise a means to measure it with the help of four hypotheses suggested. The paper is original and makes the foundational contribution for a beginning stream of expatriate research.

Introduction
Job performance has always been a critical issue in the human resource management (Shahzad, Bashir, & Ramay, 2008; Shah et al. 2016). “Several studies have concluded that job performance comes from the potential employee (Individual) which consider as the assets and are critical in term of surviving of any organization in the business world. Job performance is a function of knowledge, skills, abilities, and motivation directed at a role prescribed behavior, such as formal job responsibilities (Campbell, 1999; Shah et al., 2015). However, only the behavior or actions that are relevant to an organization’s goals are considered as job performance (Campbell et al., 1993).
Job performance is a multidimensional construct comprising task dimension (often production or deadline driven and sometimes referred to as “in-role”) and contextual dimension (sometimes considered discretionary and often termed “extra-role”) and assignment specific performance” can be given to third dimension (Caligiuri, 1997; Caligiuri & Day, 2000; Borman & Motowidlo, 1993; Shah et al., 2016). This terminology applies equally well in an international setting (Caligiuri, 1997).

In the dimensions of contextual, task and assignment specific performance, international assignees are not only supposed to perform in context of expatriate management but also finish other particular tasks which are not normally in the responsibilities of employees’ assignments such as transmitting technology and knowledge (Reiche & Harzing, 2011).

Corporations are progressively struggling to face the challenges of knowledge transfer, control, and coordination across units (Ernst, 2014). Consequently, expatriate use has improved and, in multinational companies, the effective management of expatriation has become a significant action. In process of identifying elements related with expatriate job performance the observable interest among academics and practitioners were found while taking into account of several challenges and high cost of expatriates that foreign assignments possessed (Selmer, 2006b).

Among global HR practices, job performance of expatriates is one of the great challenges. In order to accomplish global business targets and watch foreign business operations, multinational corporations have appointed several expatriates (Oshionebo, 2007). MNC’s are putting more and more efforts and investing resources in order to improve expatriate performance because they have well realized that good expatriate performance is directly related with good business performance. Alternatively, it can be said that better expatriate performance is a key success factor for international businesses (Selmer, 2005). The growth in international business brings several encounters for HR researchers and professionals by shifting domestic HR practices to global HR practices. The job performance of the expatriate is described as the magnitude of time and energy devoted to their job by the expatriates (Harrison & Shaffer, 2005).

**Framing the Concept**

Expatriates currently working in world can be divided into two broad categories such as organizational expatriates (OE) and Self-initiated expatriates (SIE) (Selmer, 2006a). Organizational expatriates are those who are selected by the organization for international assignment in other country like Malaysia. These organizations are commonly known as Multinational Companies (MNC’s). In comparison with OE, that expatriates who take self-initiative to find employment opportunity in other country like Malaysia are called self-initiated expatriates. The expatriate’s data shows that the number of self-initiated expatriates in Malaysia is higher than organizational expatriates (Ainuddin & Lily, 2012).
Past research has well documented different factors which effect OE But since SIE rotation is different due to the fact that SIE conceptual don’t have peruse. The expatriate has two dimensions first, company assignee for the international assignment and second, self-initiative expatriates although. Previous research on expatriate based on the company assignee for international assignment (i.e Takeuchi, 2010) consequently there is little amount of research has been focusing on self- initiative expatriates who are promoting themselves for the overseas employment.

Several factors have been mentioned by previous researchers that affect job performance of expatriate like international exposure, relational capability, people and task orientation, self-monitoring, self-efficacy, and goal orientation (Shaffer et al., 2006; Wang & Takeuchi, 2007). Although Caligiuri (1997) claimed that expatriate job performance is influenced by their early return. The rate of expatriate failure sharply increased with the expansion of international business. (Brewster et al., 2014).

The failure of expatriate means that, before completing international assignment, one unsuccessfully returns to his/her homeland or resigns from job (Hill, 2005). On the other hand, Dowling and Welch (2004) expand “failure” definition by including prolongation or delaying in international assignment and bad job performance. With high premature return rates of expatriates, the problems associated with the adjustments of expatriates have been well explored by previous researchers (Tung, 1981; Shay & Tracey, 1997) and the large amount of cost related with premature return (Kraimer et al., 2001).

Harvey and Novicevic (2001) and Tung (1981) argued that from 20% to 40% of expatriate employees return early to their homeland and don’t successfully complete the transition. This percentage may increase if “brownouts” are included or if expatriate perform with low capacity, although they don’t return early, and being not able to adjust themselves with new work assignments. The findings of Tung (1998) explored that 76% US multinational enterprises have more than 10% failure rate of expatriates, whereas 24% and 41% of Japanese and European multinational enterprises respectively with comparable figure of failure records. Seward (1975) compared Japanese expatriate’s performance and found that, in past, 90% expatriate managers that were promoted to Japan appeared less successful as compared to their previous assignment in their domestic countries. Adams and Kobayashi (1969) argued that in Japan, 80% of expatriate work assignments were found unsuccessful by their headquarters.

The latest trend also shows that the failure rate is increasing in the business world such the research conducted at Expatriate failure, the cost of international assignments is between three to five times higher than the assignee’s home salary per annum (Selmer, 2006a) but unfortunately the findings of National Foreign Trade Council and Management 2014 states that 16- 40% of the international assignment end in failures. The cost of failure has gradually raised and it was US$250,000 a decade ago and in 2009 it is US $ 1 million per failure to US firms (Kramer, Shaffer, & Bolino, 2009). At the Malaysian context, the number of professional working expatriates is increasing and now it’s about 30,000 (Ramalu et al., 2010a). This only covers the
population of professional working expats. Including expats living in Malaysia with other types of visas (such as the dependents), the overall population of expats in Malaysia would be closer to 80,000 individuals. Without a doubt, the flow of expats to Malaysia has increased the diversity of this nation’s multiracial inhabitants.

Malaysia is the land of huge expatriates and first reason behind that Malaysian work culture comes on second number in the world and mostly expatriates deemed Malaysia as suitable place of work in the world, second, while Malaysians believe that it is number 4th nation in the world in which any one can easily make friends (Kennedy, 2002). Anyhow, there is still a vacuum for Malaysia to become second home with their neighbor countries like Singapore and Thailand ranked higher. Third, based on its growing economy, and dynamic & young population, the HSBC Expat Explorer Survey, 2013 give 14th rank to Malaysia in 37 countries league table under its Expat Economic section. The compiled findings of HSBC Expat Explorer Survey, 2013 are from 7000 international expats. They rate Malaysia on 11th position worldwide while considering expat satisfaction with domestic economy and ranked 5th while considering income of household.

“The Malaysia has given the importance to the expatriate and facilitate that; they have established separate division as the Talent Corp Foreign Talent Facilitation and as well as nine other approving agencies collaborated to form a Joint Working Committee-Expatriate (JWC-E). The JWC-E was set up on April 23, 2012, after being endorsed by the Economic Council to oversee all expatriate-related policies and implementation. which is head Siva Kumeren was quoted in Talent Corp’s website as saying: “The objective of the JWC-E is to coordinate efforts and align policies and programs to attract and retain expatriates in the country, to ensure the implementation of initiatives related to expatriates are executed holistically and effectively by agencies and private sectors.” In December 2012, Prime Minister Datuk Seri Najib Razak announced the formation of Expatriate Services Division (ESD) to replace the Employment Pass Division. The objective of the ESD is to act as a full-fledged one-stop center for top expatriates and ease of doing business in the country.

Now the expatriate job performance became the area of interest in Malaysian academic research and several studies have determining the factors affecting on the Malaysian expatriates. At the prior history, Malaysia has covered three phases of arriving expatriates. Mainly, they were appointed in private MNC’s like British and Crossfield Petroleum, Harrison, Guthries, Dunlop, ICI and Shell (Tahir & Ismail, 2007). In 2nd phase, expatriates arrive here from developed countries like European countries, USA and they are located in big MNC’s like Volvo, Siemens, and Phillips (Tahir & Ismail, 2007). In last phase, the expatriates who came to Malaysia were primarily characterized by members of Asian Group such as Taiwan, Korea and Japan in conjunction with other Europeans.

Since Malaysian government has taken initiative to make Malaysia as educational hub, the Malaysian universities have allocated considerable resources and efforts to recruit foreign
faculty members. In this regard, Malaysian universities are inviting academic professionals from different countries in order to engage them in the process of providing quality education in Malaysia. This might be the reason of high number of self-initiated expatriates in Malaysia in contrast to organizational expatriates. Now it is area of interest for the researchers investigating those factors that affect self-initiated expatriates job performance: There is a list of factors identified by the researchers that are believed to affect the job performance and adjustment of the expatriates. These factors have been grouped into one’s individual characteristics, organizational factors and societal factors. Studies are available that investigate the effect of individual factors on the success of expatriates (Arthur & Bennett, 1995; Ones & Viswesvaran, 1997). While organizational and societal factors still need to be explored (Arthur & Bennett, 1995).

The motivation for this study is to explore the expatriate performance in Malaysia from a different perspective. The increase in number of foreign faculty members in Malaysian universities makes it an ideal situation to be explored. Therefore, this study is aimed at investigating the effect of individual and organizational factors on the expatriates’ success and job performance which have been overlooked in the empirical studies

Discussion
Expatriates have a vital role in organizational development (Aycan, 1997). A number of elements that are subject to successful foreign assignments are profuse and comprised of environmental and individual factors. Past studies are focusing on the performance of expatriates (Paik et al., 2007; Mezias & Scandura, 2005) to provide the path to multinational corporations to assist them in better performance in global business market. It is now essential to well understand international assignees’ performance due to intensive competition and global expansion of business as argued by Templer (2010). More attention is being given towards managing the performance and allocation of resources by the multinational corporations. Thus, recent researches are trying to investigate important factors that influence the performance of expatriates.

The expatriate quitting enigma has always remained center of debate since 1970 as mentioned in the background of this study. According to Caligiuri (1997) that expatriate remain in the aboard long time than performing poorly in their foreign assignments. Later, other researchers have underlined that when the expatriates return to home land early, this results in damaging the foreign remittance flow and resources. Harrison and Shaffer (2005) argued that expatriates’ actual return is different from their thoughts of quitting. At times expatriates decide to quit their jobs and return home country but in practical, very few actually do this. So, they do think of quitting at times but this rarely gets to the actual stage of quitting the job.

Harrison and Shaffer (2005) argued that expatriates' thinking of quitting the job does not necessarily lead to quitting the job but it may have some negative impact on other aspects of job performance. Therefore, both situations (quit the job and return to home country or stay
with a low state of effectiveness) highly influence organizational performance and lead to poor performance, low productivity in the overseas operation, poor relationship with the clients and operational inefficiency.

Some previous studies made an effort to describe the contribution and impact of individual components and variables that result in the success of expatriates (Caligiuri, 2000; Ones & Viswesvaran, 1997; Arthur & Bennett, 1995; Black, 1990) many researchers suggest that there are many individual factors that are related with the job performance of expatriates. Review of past studies showed individual differences like past exposure in the international academia (Holopainen & Björkman, 2005), stress tolerance, relational ability, communicational ability (Holopainen & Björkman, 2005), flexibility in the cultural avenues (Hechanova et al., 2003; Shaffer et al., 2006), non-ethnocentrism (Shaffer et al., 2006), people and task orientation (Shaffer et al., 2006), goal orientation (Wang & Takeuchi, 2007), personality with self-monitoring attitude (Caligiuri & Day, 2000), Big Five Personality (e.g., Caligiuri, 2000; Mol et al., 2005; Shaffer et al., 2006), and gender associated with the expatriates’ job performance but because of deficiency of skills and understanding of theoretical and conceptual function of individual factors is not well addressed; so there exists a gap in academic literature.

In a survey by Windham International in 1998 where, 117 multinational corporations were taken into consideration, the results suggested that the number of expatriates' assignments have doubled and the number is likely to go higher in the future. In addition, for the international corporations good performance of expatriates is a key success factor (Selmer, 2006c). Templer (2010) states that intense competition and global expansion of businesses require well understanding about the performance of international assignees. Arthur and Bennett (1995) proposed that by investigating organizational and individual factors that are subject to expatriate’s success, researchers should fill this gap in literature. Ramalu et al. (2010b) suggest that there have been researches but there still lies a big gap to outline as to which individual factors in particular affect the expatriate performance and recommends further studies on the topic.

By the end of July 2012 Malaysia employed 47000 expatriates and this trend is growing every year\(^1\). It creates a need to understand how the self-initiated expatriate’s performance is influenced by the different individual and organizational factors in Malaysia especially on the academic expatriates.

The reason behind selecting academic expatriates as an area of research is that Malaysia is investing a huge amount of RM56.6 Billion in education sector (Johari, 2016) and its target to reach top 500 universities of the world in the upcoming years and it is the requirement for Quality standard Ranking for the qualification of a university that a university should have 5% international faculty (Dobrota et al., 2016).

This research will highlight Academic expatriates’ issues in order to identify factors (individual and organizational) which is still unclear in self-initiated academic expatriate research. Malaysia is a unique country in terms of multiethnic population and it might be the interesting to know how cultural relative issues and variables effect on the job performance of Expatriates.

Malaysian universities invite individual academic professionals from different counties around the world. These individuals commonly known as self-initiated expatriates are those who have taken control of their own career and found career opportunities in Malaysia. Past research have paid sufficient attention on organizational expatriates working in different sectors (Peltokorpi & Froese, 2009; Selmer & Lauring, 2011a, b) but the area of self-initiated expatriates have been ignored by the past researchers. Selmer and Lauring (2010) highlight that a self-initiated expatriate in academic sector is equally important area of research in comparison with organizational expatriates working in MNC’s but past researchers have ignored this area and this gap needs to be filled in order to better understand the factors that affect self-initiated academic expatriates adjustment and job performance. Due to all this, the core aim of this study is to outline the elements and factors that influence and affect the self-initiated expatriates in academia and their job performance in Malaysia.

Job performance of expatriates is evaluated by 360 degree evaluation techniques but most of the past research has focused on the self-bias rating basis. Although there is enough evidence of research on the expatriate job performance on the basis on the self-rating basis but a limited amount of research has focused on supervisor rated. Therefore, this research will attempt to fill this gap by gathering information from supervisors regarding academic expatriate’s job performance.

Past studies studied found several factors influencing on the expatriate job performance at the Organization Expatriates level but SIE is relatively a new concept and is still under observation by several academicians. These can be concluded in two schools of thought, First school of thought studying the same factors influencing expatriate job performance SIE as it is researched on the Expatriate job performance. Second school of thought is considering the SIE as a different construct, that’s the reason to explore different factors which effect SIE. This study deemed to focus on the second school of thought approaching a relatively new theoretical framework suggesting some of the core organizational level and individual level factors affecting the job performance of expatriate such as such as cultural intelligence, cross cultural training, impression management, organization support and expatriate expectation the with relation of mediating role of expatriate adjustment.

Expatriates are expected to modify their attitude, perceptions and behavior according to the new values and belief system (culture) to decrease stress and manage the uncertainties of job. Mol et al. (2005) state that the cultural understanding is an individual factor that plays a critically important role towards expatriate job performance. Furthermore, the understanding of
the culture and ability for appreciation may also help the expatriate to solve critical cultural issues.

Erbacher et al. (2006) defines the organizational support as the amount of assistance provided by the parent and local company to expatriates. In the view of Toh and DeNisi (2005), organizational support in connection to expatriates refers to support related to cooperation, emotional support and information support. The author further suggests that these three kinds of support facilitate expatriates to adjust responsively at the workplace. Caligiuri et al. (1999) identifies that there is a gap in the research pertaining to impact of organizational assistance to expatriates on his adjustment. Moreover, earlier studies in past have ignored the issue and the link outlining the direct and indirect impact on the topic is still missing. Therefore, the impact of organizational support and its influence on expatriate adjustment is critical.

Adjustments related to cross-cultural differences can be accommodated if the expatriate is well aware of the norms and values of the particular host country (Black & Mendenhall, 1990). This is the reason why multinational companies offer cross cultural trainings (CCT) in order to make expatriates learn the behaviors and norms appropriate to survive in the new country. Cross cultural trainings are generally designed to work as an intervention to increase knowledge and skills of expatriates pertaining to the host culture (Brewster & Pickard, 1994; Harris & Brewster, 1999; Kealey & Protheroe, 1996; Shumsky, 1992).

Previous researchers have outlined and mentioned that there is a possibility that recruitment and orientation campaigns may prove to be useful for employees entering in a new country (Phillips, 1998; Wanous, 1992). However, there have been very little research in the past on this topic examining the context of global assignments (see Blackl, 1992; and Stroh et al., 1998 for exceptions).

This research study therefore aims to outline as to what extent the management impression influences job performance and whether the component of adjustment mediates this relationship. Under this study, this relationship will be investigated for both the aspects i.e for overall job performance as well as with the individual dimensions of the job performance as it has been suggested by Viswesvaran et al. (2001) that impression management scale scores may be somehow related to some of the dimensions of job performance. More importantly, as Viswesvaran and Ones (1999) and Viswesvaran et al. (2001) suggested, the impression management component of social desirability will only be examined for a sample of expatriates, whose jobs are considered demanding interpersonally. In the research ethics and rules it is critical to show a direct relationship between the independent and dependent variable in order to justify the mediation. Therefore, future research may be suggested in this type of research. Therefore, the core goal of this research study is to outline the organizational and individual factors that influence and impact job performance and adjustment of expatriate in the academic industry in Malaysia. More importantly, the aim of the study is to investigate this

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relationship with the mediation of work, general and interaction towards the job performance of expatriates in the academics.

**Suggested Hypotheses**

1. Does cultural intelligence have the positive relation with expatriate job performance (rated by the supervisor)?
2. Does the cross cultural training have the positive relationship with expatriate job performances (rated by the supervisor)?
3. Does expatriate expectation have positive relation with expatriate job performance? (rated by supervisor)
4. Does expatriate adjustment mediate the relationship among these three variables (culture training, expatriate expectation, and cultural intelligence) and expatriate job performances (rated by the supervisor)?

**Theoretical and Practical Implications**

Cross sectional research approach generally helps to examine the theoretical knowledge and significantly contribute towards it. This study aims to extend the existing theoretical knowledge concerning to the impact of expatriates adjustment on expatriates job performance. Moreover, in view of the absence of empirical studies investigating the performance implications of the interaction between expatriate adjustment practices and self-initiative expatriate’s job performance, this study represented an attempt to fill this theoretical gap in the literature. This study tried to examine the postulated relationship in the context of services organizations, especially in education sector.

This study is also significant to the practitioners as it emphasizes the role of expatriate’s job performance effected by organizational and individual factors by exploring the significant role of expatriate adjustment, this study will provide the significant evidence of individual and organizational factors and their relation to expatriate job performance. Several studies have been conducted on the expatriate job performance by using the self-rating basis. A potential weak point of this study is that it relies on self-rating questions that hold a potential for bias. Also, in terms of conceptualizing the concept of expatriate performance, the current study aims to underline the expatriates’ performance through ultimate supervision of expatriates’ approach which is widely not available up till now.

As established earlier that this study aims to examine the expatriate job performance in Malaysian public universities which is one significant aspect of the study. Moreover, it is said that HRM practices are not influenced by organizational and individual factors therefore, this research may help in understanding and identifying the important factors that affect adjustment of expatriates.

Furthermore, the findings of the study will play a healthy role for policy makers to outline key aspects of expatriates’ job performance. The findings of the study may also be beneficial to the concerned researchers, consultants, independent organizations and practitioners that could play
a critically significant role in achieving the highest levels of performance through understanding the drivers of expatriates` job performance. Additionally, for public universities in Malaysia, the study findings will play a critical role in outlining factors through which the job performance of expatriates could be enhanced.

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